

Department of Military and Veterans Affairs
State of Alaska
Single Audit – Compliance Supplement

Program #	Program Name	Last Revised
1	Emergency Management Assistance Program	5/02
2	Public Assistance Program	5/99

Emergency Management Assistance Program

Department of Military and Veterans Affairs – Program 1

I. PROGRAM OBJECTIVES

The Emergency Management Assistance Program provides federal contributions to State and local governments to increase the operational capability for emergency management.

II. PROGRAM PROCEDURES

Funds are provided to the State upon approval of a Comprehensive Cooperative Agreement (CA) between the State and the Federal Emergency Management Agency (FEMA). The State and local (SL) Agreement between the community and the Division of Emergency Services is developed and negotiated.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED

Compliance Requirement

Emergency Management Assistance (EMA) funds may be expended for emergency management personnel, administration, travel, office supplies and administrative equipment, rent and maintenance of office space, utilities, and insurance, not to exceed one-half of eligible necessary and essential expenses.

Suggested Audit Procedures

- Review CA and SL agreement to determine if there are special requirements and/or products to be developed; and
- Test expenditure records to determine if expenditures are eligible.

B. ELIGIBILITY

The auditor is not expected to verify eligibility other than that required by III, A. above.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

The Federal funds must be matched equally by local funds. Funds from other Federal programs cannot be used to provide the local match.

Suggested Audit Procedure

- Review local fund documents to insure that no Federal funds were used to provide the local match.

D. REPORTING REQUIREMENTS

Compliance Requirement

The local jurisdiction must provide the Division of Emergency Services a quarterly financial billing and a report of SL Agreement activities.

Suggested Audit Procedure

- Review reports for timeliness.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirements

There are no special compliance requirements.

Suggested Audit Procedures

- There are no special suggested audit procedures.

Modified 5/99

Public Assistance Program

Department of Military and Veterans Affairs – Program 2

I. PROGRAM OBJECTIVES

The objective of the Public Assistance Program is to provide assistance to local governments and selected non-profit organizations to reduce suffering and hardship resulting from a disaster or from emergencies declared by the Governor.

II. PROGRAM PROCEDURES

Following the Governor's declaration of a disaster, the Division of Emergency Services (DES) provides grants or loans to applicants, who may use the funds to restore disaster related damages to pre-disaster conditions. If the disaster is within the State's capabilities, funds are made available from the Disaster Relief Fund (AS 26.23) in the amount determined by DES. If the disaster is declared by the President, federal funds are made available on a 75% / 25% cost sharing basis. The State may provide the 25% match. Communities receive funds after the completion and approval of a project application and damage survey reports.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED

Compliance Requirements

Disaster assistance funds can be expended only on allowable services and at approved rates specified in the approved grant agreement. Federal disaster assistance funds cannot be used for expenditures funded by Federal Programs.

Suggested Audit Procedures

- Review approved grant agreement;
- Test expenditure records; and
- Determine nature of expenditures and the sources of funding for disaster-related expenditures.

Compliance Requirement

Funds from insurance settlements, or other sources for specific losses must be deducted by the grantee from its claim.

Suggested Audit Procedures

- Review insurance policies, minutes of legislative body meetings, and other sources likely to reveal the existence of insurance claims, and similar receipts; and
- Test financial records to determine the manner in which such receipts were processed.

Compliance Requirement

Funds approved as an improved project can only be used as contribution for the construction of larger or improved facilities that restore at least the pre-disaster capacity of the damaged or destroyed facilities.

Suggested Audit Procedures

- Review a sample of damage survey reports for damaged or destroyed facilities;
- Ascertain amount approved for improved projects and costs for new facilities.

Compliance Requirement

As a condition of receiving assistance for restoration of certain facilities, grantees may be required to obtain and maintain specific types of insurance.

Suggested Audit Procedures

- Review a sample of those projects for which insurance commitments were required; and
- Determine whether the type of and extent of insurance required was obtained and whether it is being maintained.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

The State may be required to provide the 25% match in a federal declaration.

Suggested Audit Procedure

- Review the Federal-State agreement to determine the cost-sharing agreement.

D. REPORTING REQUIREMENTS

Compliance Requirement

The recipient may be required to submit progress reports and copies of documentation as part of the payment process.

Suggested Audit Procedure

- Review submitted documentation for completeness, accuracy, and timeliness of submission.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

At the completion of the project, the applicant must have a facility capable of operation at the pre-disaster level.

Suggested Audit Procedure

- Perform review of final inspection forms prepared by DES at the completion of a project to determine if an inspection was made and the facility was capable of operation at the pre-disaster level.

Modified 5/99